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OFFICE OF THE
EXECUTIVE SECRETARY

September 6, 2000

Mr. David Waddell, Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

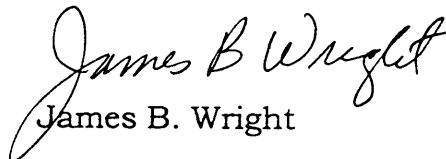
RE: Docket No. 97-00409 (Pay Telephone Tariffs)
UTSE Reply to TPOA's Response to CAD's Motion to Compel

Dear Mr. Waddell:

Enclosed for filing in the above case are the original and thirteen copies of United Telephone-Southeast, Inc.'s Reply to the Tennessee Payphone Owners Association Response to the Consumer Advocate's Motion to Compel.

A copy of this Reply is being furnished to counsel of record.

Sincerely yours,


James B. Wright

JBW:sm

Enclosure

CC: Steve Parrott (with enclosure)
Dennis Wagner (with enclosure)
Laura Sykora (with enclosure)
Counsel of Record (with enclosure)

#18344

POSTED
9-11-00

BEFORE THE
TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

IN RE: All Telephone Companies Tariff Filings Regarding Reclassification of
Pay Telephone Service as Required by FCC Docket 96-128

DOCKET NO. 97-00409

UTSE REPLY
TO RESPONSE OF TPOA TO CAD's MOTION TO COMPEL

United Telephone-Southeast, Inc. ("United" or "Company"), files this Reply to the August 31, 2000 Response of the Tennessee Payphone Owners Association ("TPOA Response") to the August 25, 2000 Consumer Advocate Division's Motion to Compel and to Modify Scheduling Order ("Motion").

The TPOA argues that unless the Tennessee Regulatory Authority ("TRA") orders United to file a cost study in compliance with the Wisconsin Payphone Order issued by a bureau of the FCC, "the TRA will have no choice but to assume, in the absence of evidence to the contrary, that United's forward looking costs are the same as BellSouth's and to fix rates accordingly" (TPOA Response at page 2).

United would point out that United did not receive any discovery request asking for United to file "cost study information that complies with the Wisconsin order" (TPOA Response at page 2). The TPOA Response is an improper method of

issuing new discovery requests. For this reason alone, the relief requested by the TPOA should be disregarded.

The relief requested by the TPOA in its Response requires the TRA to prejudge the issue raised in this case by the TPOA, that is, whether the Wisconsin Payphone Order and the use of unbundled network element costs for pay phone costs, should even apply in Tennessee. United has filed in earlier documents the reasons why the TPOA is wrong on this issue. It is premature for the TRA to conclude at this point in time that United must file a study based on methodology it believes to be improper and arises from a federal bureau's decision that by its own terms applies only to four Wisconsin companies and which is contrary to other FCC decisions.

As to an alleged absence of evidence, under the procedural schedule established in this case, United will file support for its cost studies on September 15, 2000. At that time there will be additional evidence in the record for the TRA to conclude that United's study is compliant with the new services test, which is the standard established by the full FCC, not one of its bureaus.

Implicit in the relief requested in the TPOA Response is the requirement that the TRA use the UNE rates established by BellSouth in docket No. 97-01262. This docket is entitled "Petition of BellSouth Telecommunications Inc. to convene a contested case to establish 'permanent prices' for interconnection and unbundled network elements". The UNE docket was and remains a docket to establish UNE rates for BellSouth. It was not and is not a generic proceeding to establish UNE rates for any other telephone company and there is no evidence in

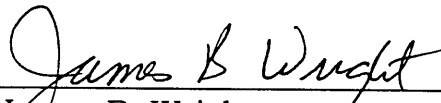
the UNE case regarding any of United's cost. Thus, even if the Wisconsin Payphone Order were at some point in time determined to be appropriate, the TPOA's requested relief to use BellSouth UNE data as a basis to establish United's payphone costs is contrary to due process and fundamental fairness since none of the costs would be United's and the United data in this proceeding would have to be totally ignored, a matter which could only be considered arbitrary and capricious.

United would lastly note that United has entered into a large number of interconnection agreements with competing local exchange carriers ("CLECs") in United's serving area. These agreements contain negotiated and accepted UNE rates for services United provides to the CLEC, and none of the agreements' UNE price list rates have been asked by the CLECs to be arbitrated by the TRA. Nor is United aware of any specific TPOA member complaint regarding United's payphone rates. In other words, none of its rates have been contested by United's competitors. These agreements have been submitted and approved by the TRA and are a matter of public record. Thus the relief requested by the TPOA to compel a Wisconsin payphone study by United should be denied.

Respectfully submitted,
UNITED TELEPHONE-SOUTHEAST, INC.

Dated: September 6, 2000

TnRespTPOA


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CERTIFICATE OF SERVICE; DOCKET 97-00409
(Pay Telephone Service Reclassification)

The undersigned hereby certifies that on September 6, 2000 the foregoing UTSE Reply to TPOA Response to CAD Motion to Compel was served upon the following parties of record by fax and by depositing in the U.S mail addressed as follows:

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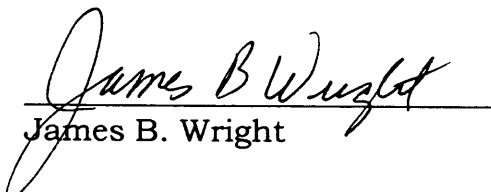
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